



STATE OF IOWA

CHESTER J. CULVER, GOVERNOR
PATTY JUDGE, LT. GOVERNOR

DEPARTMENT OF HUMAN SERVICES
CHARLES J. KROGMEIER, DIRECTOR

INFORMATIONAL LETTER NO. 887

DATE: March 10, 2010

TO: Iowa Medicaid Administrators of Residential Care Facilities

FROM: Iowa Department of Human Services, Iowa Medicaid Enterprise

SUBJECT: April 2010 Residential Care Facility Personal Needs Allowance Decrease

Effective April 1, 2010, the personal needs allowance for Residential Care Facility (RCF) assistance recipients will decrease from \$94.00 to \$93.00 per month.

The RCF personal needs allowance is calculated each year by increasing the base allowance by the same percentage as the SSI cost-of-living increase, and then adding in the previous year's average cost of Medicaid co pays per month per RCF recipient. Because there was no SSI cost-of-living increase this year and the average Medicaid co pays decreased somewhat, there was a slight decrease in the calculated personal needs allowance.

Please have your residents contact their income maintenance worker in the local DHS office if they have questions about the personal needs allowance decrease.